



State Transportation Commission

January 31, 2008



Director Kirk T. Steudle, P.E.
Michigan Department of Transportation

Overview

- State Economic Stimulus Package
- Goal Re-Definition & Measurement for Roadways (GRAMR)
- Construction Quality Partnership (CQP)
- Transportation Funding Task Force
- SAFETEA-LU - National Surface Transportation Policy and Revenue Study Commission

State Economic Stimulus Package

State Economic Stimulus Package

- \$150 million road and bridge preservation program
- Advance approximately 25 projects from 2009 to 2008
- Create about 2,100 jobs



Program Funding

- Up to \$150 million bonds
- Economic times are very favorable
 - Historically low interest rates
- Will increase our debt service by \$14.2 million annually



Design/Build/Finance Pilot Projects

- Innovative contracting method
- Used by other states
 - Florida
 - Missouri
- Accelerated project delivery and use of private sector funding



Goal Re-Definition & Measurement for Roadways (GRAMR)

Performance Measures

Interim Objectives

- Internal team used MI Transportation Plan to develop interim objectives that were:
 - Relevant to MI Transportation Plan goals
 - Meaningful
 - Recognizable
 - Measurable
 - With readily available data
- An initial set of measures
- To be expanded in time



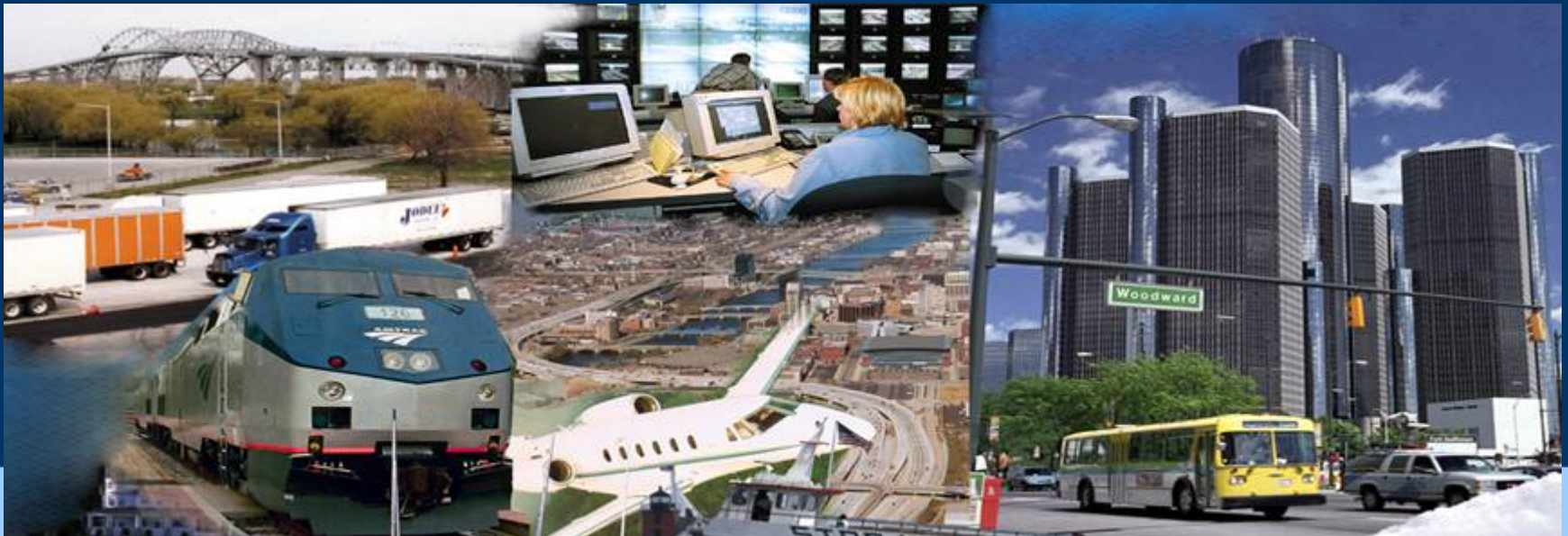
Stewardship: Freight Rail

- Maintain MDOT track condition on 3 state-owned lines for speeds of at least 25 mph
- Maintain MDOT track conditions on 4th state-owned line to allow at least 25 mph for at least 90% of track



Next Steps

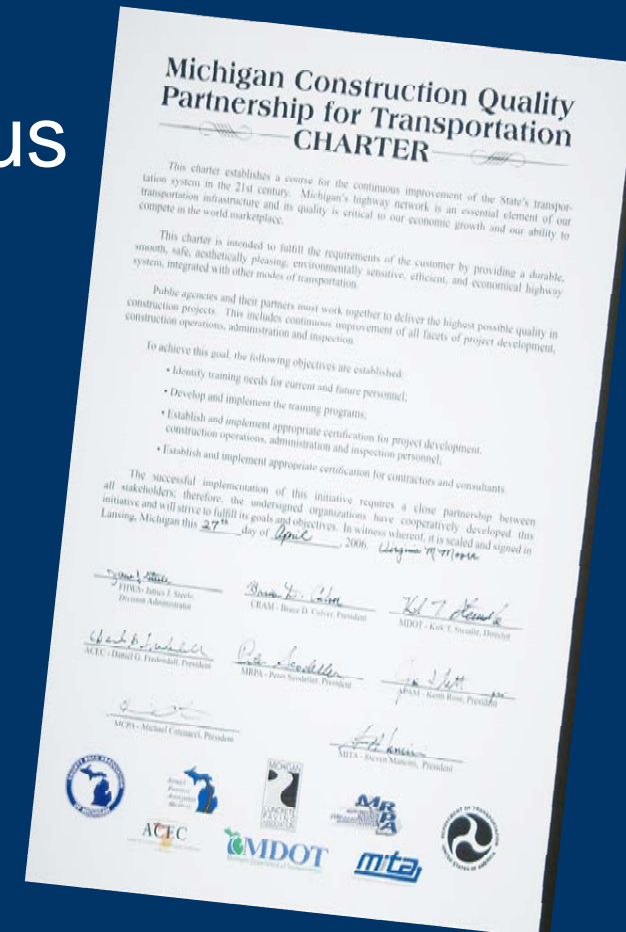
- Work with STC to prioritize objectives
- Work with STC to formalize measures
- Follow up with measurement of these objectives
- Continue to identify additional objectives



Construction Quality Partnership

Michigan's CQP History

- 2004 Industry Proposal
- Training and Certification Focus
- “Partnering Plus”



Achievements – Training

- Six Projects with mandatory training in 2007
 - MDOT and Contractor joint training
- Four Focus Areas of Training
 - Traffic Control
 - Erosion Control
 - Quality Control
 - Technical Training



Achievements

- Tier One Accreditation
- Michigan Construction Quality Partnership Awards



Next Steps

- Third Party Administrator
- Industry and Statewide Implementation

Transportation Funding Task Force

Summary of PA 221 of 2007

Public Act 221 of 2007

Creates Task Force to “review the adequacy of surface transportation and aeronautics service provision and finance” in Michigan

- Applies to roads, transit, & aviation
- Supported by MDOT staff
- Assisted by Citizens’ Advisory Committee



Task Force

To be established by February 1, 2008

- 9 citizens, representing 8 economic sectors appointed by Governor, with advice and consent of Senate
 - Manufacturing
 - Commerce
 - Agriculture
 - Tourism
 - Labor
 - Transportation
 - Public Transit
 - Aviation
- Majority and minority leader of Senate, or designees
- Speaker and minority leader of House, or designees
- May not include employees of MDOT, a county, county road commission, village, city, or township

Citizens' Advisory Committee

- Governor-appointed 19-person committee
 - 18 organizations, agencies, and associations in transportation and construction sector
 - Michigan Farm Bureau
 - Michigan Trucking Association
 - Michigan Association of Counties
 - Michigan Townships Association
 - Michigan State Chamber of Commerce
 - Michigan Tourist Association
 - County Road Association of Michigan
 - Michigan Municipal League
 - Michigan Public Transit Association

Citizens' Advisory Committee

19 Person committee (Continued)

- Asphalt Paving Association of Michigan
- Michigan Concrete Paving Association
- Michigan Infrastructure and Transportation Association
- Michigan Railroads Association
- American Council of Engineering Companies
- Michigan Building and Construction Trades Council
- Michigan Association of Airport Executives
- Michigan Business Aviation Association
- State Transportation Department
- 1 member of general public

Task Force Primary Focus

- Examine alternatives to fuel tax
 - Analyze feasibility
 - Suggest or recommend alternative user fees or nonuser taxes
- May recommend “implementation of pilot programs to test feasible alternatives” to fuel tax
 - Preliminary recommendations due October 31, 2008



Calendar of Events

- February 1, 2008
 - Governor names private-citizen members of Task Force
 - Legislative leaders name legislator members
- March 1, 2008
 - MDOT recommends work program to Task Force
- October 31, 2008
 - Task Force publishes preliminary data, findings, & recommendations
 - Task Force makes preliminary recommendations on pilot programs

**SAFETEA-LU
National Surface
Transportation Policy
and Revenue Study
Commission**

National Study Commission

- Created in SAFETEA-LU
 - Charged with forecasting surface transportation system necessary to support our economy 50 years from now – and recommend a plan for getting there
- Met 22 times over 22 months
- Heard from nearly 300 witnesses
- Final report supported by 9 of 12 commission members

Significant Findings

- Congestion takes a heavy economic toll
- Population expected to increase by 120 million over next 50 years
- Freight volumes will be 70% higher in 2020
- Need to invest \$225 to \$338 billion each year for next 50 years



Major Themes

- Federal Government needs to be a full partner with states
 - Focus on core activities
 - Shorten project delivery process
- Far greater investment needed at all levels of government and from private sector
- Federal programs need complete overhaul
 - Focus on congestion and freight



Federal Program Reforms

- Number of federal program reduced from 108 to only 10
 - National asset management program, freight capacity, reduce congestion, safety, access to rural areas, intercity passenger rail, environment, energy, federal lands, and research, development and technology program
- Create a National Surface Transportation Commission
- Reform project delivery process



Financing Recommendation

- Short-term
 - Keep HTF solvent through SAFETEA-LU
- Mid-term
 - 25 to 40 cent increase in fuel taxes / indexing
 - Transit and intercity passenger rail ticket tax
 - Freight fee, diversion of customs fees
 - Tolling, congestion pricing, PPPs
- Long-term
 - Transition to VMT tax or other similar tax

RCWD

ROAD CONSTRUCTION WORKFORCE DEVELOPMENT PROGRAM

Overview

- Vision
- Mission
- Goals
- Strategies

Vision

A sustained road construction workforce of diverse, trained and certified individuals.



Mission

To equip a diverse pool of Michigan residents with skills for sustainable employment in the road construction industry.

Statewide Partnership Committee

Mission:

To identify, leverage and maximize state, federal and local resources to create a sustainable process for supplying a qualified, diverse pool of highway construction workers.

Goals

- Identify Key Issues
- Develop Policies and Strategies
- Develop Pre-apprenticeship & Apprenticeship Training Programs
- Develop Regional Blueprint for Collaboration and Cooperation

Strategies

- Increase OJT opportunities on road construction projects
- Identify for local participation
- Develop mechanism to meet workforce and training needs through private-public partnerships
- Establish statewide resource directory
- Develop marketing campaign to promote the RCWD initiative
- Promote road construction as career choice
- Identify educational attainment needs and solutions
- Strengthen collaboration between workforce development and educational system
- Establish apprenticeship readiness program

RCAR

Road

Construction

Apprenticeship

Readiness

RCAR

- Testing
- Training
- Stipends
- Follow-up and Retention
- Support Services
- Certification



RCAR

- Administration
- Eligibility
- Budget



Questions